



Mortgage Insurance Services Program Bulletin

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Special Partnership Lends a Hand to California's Low Income Homebuyers

Union Bank of California and the California Housing Finance Agency are two financial organizations with one common goal: place homeownership within reach for California's low income borrowers.

To advance this goal, each organization will offer a valuable component to help address one of homeownership's biggest hurdles – the down payment. Union Bank will expand their Economic Opportunity Mortgage Program by offering a straight 100% Loan-to-Value loan to borrowers whose incomes are 80% or less than their area median income levels. The program also offers 30, 25, 20 and 15 year fixed rate mortgages, along with 5/1, 7/1 and 10/1 adjustable rate mortgages.

The California Housing Finance Agency's Mortgage Insurance Services Division will provide mortgage insurance on the program. This first-of-its-kind arrangement allows Union Bank to offer the 100% financing, which previously was not an option. Prior to this partnership, Union Bank was offering maximum financing of 95% on this program, requiring the borrower to contribute at least 5% down payment.

"We're proud to partner with Union Bank of California on this valuable program," said Theresa Parker, California Housing Finance Agency Executive Director. "On paper, this partnership is between just two organizations, but in reality, we're joining hands with millions of low income Californians who dream of homeownership. We hope this program will bring their aspirations within reach."

California Housing Finance Agency, the State's affordable housing bank, was chartered in 1975 to meet the housing needs of low to moderate income Californians and has helped more than 120,000 families purchase their first home.

More information on this new Union Bank of California and California Housing Finance Agency partnership is available by contacting Union Bank of California at 1.800.828.2000 or the California Housing Finance Agency at 916.322.8936. Program details are available at <http://www.calhfa.ca.gov/insurance/programs>.